GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:1494
ANSWERED ON:01.08.2001
INTEGRATED INDUSTRIAL DEVELOPMENT SCHEME
LAXMINARAYAN PANDEY;T.T.V. DHINAKARAN

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether some areas of Madhya Pradesh have been included under Integrated Industrial Development Scheme launched by the Centre under which development of small industrial areas is done in accordance with the Government instructions and loans advanced by the S.I.D.B.I;

(b) if so, the details of such schemes;

(c) whether SIDBI has declined to sanction loans for the development scheme of Mandol Industrial areas in Siwani District even when the scheme was approved by the Government of India;

(d) if so, the reasons therefor; and

(e) the manner in which the scheme would be implemented under such circumstances?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND RURAL INDUSTRIES, MINISTER OF STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PEN AND PENSIONERS WELFARE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND M OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a) & (b): Yes, Sir. The Integrated Infrastructural Development (IID) Scheme was launched in 1994 to provide basic infrastructural facilities in the rural/backward areas. Under the Scheme a

Central Grant upto Rs. 2.00 crore and a loan from the Small Industries Development Bank of India (SIDBI) upto Rs. 3.00 crore is available for each Centre. The State Governments are required to select an appropriate site, firm up the proposals, get these appraised from SIDBI for techno-economic viability and also appoint an Implementing Agency. SIDBI is authorised to release a central grant matching with the term loan. The Implementing Agency may obtain advance towards Central Grant by depositing in a bank exclusively in the name of the project matching share from its own resources or the central grant is released on reimbursement basis against the expenditure incurred by it. Five IID Centres have been sanctioned in the State of Madhya Pradesh one at Nadantola in District Satna, second at Bandol in District Seoni, third at Jaggakhedi in District Mandsaur, fourth at Village Nimrani in District Khargone and fifth at Village Lamtara, District Katni. A Central Grant of Rs. 89.00 lakhs has already been released for an IID Centre at Nadantola, District Satna. For projects which have been recently sanctioned at Jaggakhedi in District Mandsaur, Nimrani in District Khargone and at Village Lamtara in District Katni, the State Government has not raised any demand for Central Grant. The State Government of Madhya Pradesh has abandoned the project sanctioned for Bandol in District Seoni.

(c) to (e): Under the Scheme, the State Government is required to appoint an Implementing Agency which has a good track record and sound financial position. The financial position of Madhya Pradesh Audyogik Kendra Vikas Nigam, Jabalpur, the proposed Implementing Agency in respect of IID Centre at Bandol was not found satisfactory. The agency is in default to the Industrial Development Bank of India (IDBI) and has accumulated losses. SIDBI was hence not willing to sanction a loan. The State Governmer was given the option to invest its own funds in lieu of SIDBI loan or to change the Implementing Agency. The State Government has expressed its inability to invest its own funds and intimated that they have abandoned implementation of the IID Centre at Bandol, District Seoni.